March 24, 2023

VIA EMAIL ONLY

Kimbra Davis,
Director, Orphaned Wells Program Office
U.S. Department of the Interior
1849 C Street NW
Washington, DC 20240

Via orphanedwells@ios.doi.gov

RE: DEPARTMENT OF THE INTERIOR (DOI) ORPHAN WELL STATE FORMULA GRANT FUNDING DRAFT GUIDANCE

Dear Director Davis:

Thank you for the opportunity to provide feedback on the DOI's draft guidance for applying for orphan well state formula grant funding made available by the Bipartisan Infrastructure Law.

The California Geologic Energy Management Division (CalGEM) regulates subsurface activities, and some surface activities within the oil, gas, and geothermal industries in California, in a manner that prioritizes protecting public health, safety, and the environment, while working to help California achieve its climate change and clean energy goals. As part of these responsibilities, CalGEM may carry out state abandonments of orphan wells that no longer belong to a viable, responsible operator.

CalGEM has worked closed with the Interstate Oil and Gas Compact Commission (IOGCC) in developing comments on the draft guidance on behalf of states, and CalGEM supports the proposed modifications provided by IOGCC. In addition to these, CalGEM has additional requested modifications for consideration, which are described in detail in the attached document using the comment feature.

In summary, the additional modifications requested include:

- **Definition of key terms.** The draft guidance references reclamation, remediation, and restoration throughout, and seemingly interchangeably, without providing clarity on meaning. California has specific requirements associated with these terms. As such, we request definitions be provided that clarify that for the purposes of compliance with the grant, the terms confer the same meaning given them by the state.
- Reframing of groundwater contamination monitoring reporting. The proposed
 modifications submitted by IOGCC request DOI make certain reporting
 requirements recommended instead of required. In addition to this, CalGEM
 recommends reframing reporting requirements regarding groundwater
 contamination monitoring to reflect that it may not be appropriate, practical, or
 even feasible in all situations.

- Clarification of reporting checkpoints. CalGEM requests DOI provide additional
 clarity on semi-annual and final performance reporting requirements. As written,
 it is unclear how long states have following the six-month reporting period to turn
 in its semi-annual performance report, and/or how that differs from the final
 performance report.
- Clarification of if workforce development is allowable use of funds. The federal guidelines established a requirement to report on workforce develop opportunities. CalGEM agrees with IOGCC this should be a recommended reporting requirement. In addition, CalGEM requires DOI clarify if activities aimed at supporting workforce development are an allowable use of the federal funds.

We appreciate the opportunity to provide our recommended modifications on DOI's draft guidance and welcome the opportunity to meet to discuss further.

Sincerely,

Courtney Smith

Courtney Smith

Chief Deputy Director of Programs
California Geologic Energy Management Division

Cc:

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Attachment: CalGEM Comments on DOI Orphan Well Formula Grant Funding Draft Guidance